



Sen. Iris Y. Martinez

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1 AMENDMENT TO SENATE BILL 752

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 752 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971  
5 is amended by changing Sections 3, 6.9, and 6.10 as follows:

6 (5 ILCS 375/3) (from Ch. 127, par. 523)

7 Sec. 3. Definitions. Unless the context otherwise  
8 requires, the following words and phrases as used in this Act  
9 shall have the following meanings. The Department may define  
10 these and other words and phrases separately for the purpose of  
11 implementing specific programs providing benefits under this  
12 Act.

13 (a) "Administrative service organization" means any  
14 person, firm or corporation experienced in the handling of  
15 claims which is fully qualified, financially sound and capable  
16 of meeting the service requirements of a contract of

1 administration executed with the Department.

2 (b) "Annuitant" means (1) an employee who retires, or has  
3 retired, on or after January 1, 1966 on an immediate annuity  
4 under the provisions of Articles 2, 14 (including an employee  
5 who has elected to receive an alternative retirement  
6 cancellation payment under Section 14-108.5 of the Illinois  
7 Pension Code in lieu of an annuity), 15 (including an employee  
8 who has retired under the optional retirement program  
9 established under Section 15-158.2), paragraphs (2), (3), or  
10 (5) of Section 16-106, or Article 18 of the Illinois Pension  
11 Code; (2) any person who was receiving group insurance coverage  
12 under this Act as of March 31, 1978 by reason of his status as  
13 an annuitant, even though the annuity in relation to which such  
14 coverage was provided is a proportional annuity based on less  
15 than the minimum period of service required for a retirement  
16 annuity in the system involved; (3) any person not otherwise  
17 covered by this Act who has retired as a participating member  
18 under Article 2 of the Illinois Pension Code but is ineligible  
19 for the retirement annuity under Section 2-119 of the Illinois  
20 Pension Code; (4) the spouse of any person who is receiving a  
21 retirement annuity under Article 18 of the Illinois Pension  
22 Code and who is covered under a group health insurance program  
23 sponsored by a governmental employer other than the State of  
24 Illinois and who has irrevocably elected to waive his or her  
25 coverage under this Act and to have his or her spouse  
26 considered as the "annuitant" under this Act and not as a

1 "dependent"; or (5) an employee who retires, or has retired,  
2 from a qualified position, as determined according to rules  
3 promulgated by the Director, under a qualified local  
4 government, a qualified rehabilitation facility, a qualified  
5 domestic violence shelter or service, or a qualified child  
6 advocacy center. (For definition of "retired employee", see (p)  
7 post).

8 (b-5) "New SERS annuitant" means a person who, on or after  
9 January 1, 1998, becomes an annuitant, as defined in subsection  
10 (b), by virtue of beginning to receive a retirement annuity  
11 under Article 14 of the Illinois Pension Code (including an  
12 employee who has elected to receive an alternative retirement  
13 cancellation payment under Section 14-108.5 of that Code in  
14 lieu of an annuity), and is eligible to participate in the  
15 basic program of group health benefits provided for annuitants  
16 under this Act.

17 (b-6) "New SURS annuitant" means a person who (1) on or  
18 after January 1, 1998, becomes an annuitant, as defined in  
19 subsection (b), by virtue of beginning to receive a retirement  
20 annuity under Article 15 of the Illinois Pension Code, (2) has  
21 not made the election authorized under Section 15-135.1 of the  
22 Illinois Pension Code, and (3) is eligible to participate in  
23 the basic program of group health benefits provided for  
24 annuitants under this Act.

25 (b-7) "New TRS State annuitant" means a person who, on or  
26 after July 1, 1998, becomes an annuitant, as defined in

1 subsection (b), by virtue of beginning to receive a retirement  
2 annuity under Article 16 of the Illinois Pension Code based on  
3 service as a teacher as defined in paragraph (2), (3), or (5)  
4 of Section 16-106 of that Code, and is eligible to participate  
5 in the basic program of group health benefits provided for  
6 annuitants under this Act.

7 (c) "Carrier" means (1) an insurance company, a corporation  
8 organized under the Limited Health Service Organization Act or  
9 the Voluntary Health Services Plan Act, a partnership, or other  
10 nongovernmental organization, which is authorized to do group  
11 life or group health insurance business in Illinois, or (2) the  
12 State of Illinois as a self-insurer.

13 (d) "Compensation" means salary or wages payable on a  
14 regular payroll by the State Treasurer on a warrant of the  
15 State Comptroller out of any State, trust or federal fund, or  
16 by the Governor of the State through a disbursing officer of  
17 the State out of a trust or out of federal funds, or by any  
18 Department out of State, trust, federal or other funds held by  
19 the State Treasurer or the Department, to any person for  
20 personal services currently performed, and ordinary or  
21 accidental disability benefits under Articles 2, 14, 15  
22 (including ordinary or accidental disability benefits under  
23 the optional retirement program established under Section  
24 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or  
25 Article 18 of the Illinois Pension Code, for disability  
26 incurred after January 1, 1966, or benefits payable under the

1 Workers' Compensation or Occupational Diseases Act or benefits  
2 payable under a sick pay plan established in accordance with  
3 Section 36 of the State Finance Act. "Compensation" also means  
4 salary or wages paid to an employee of any qualified local  
5 government, qualified rehabilitation facility, qualified  
6 domestic violence shelter or service, or qualified child  
7 advocacy center.

8 (e) "Commission" means the State Employees Group Insurance  
9 Advisory Commission authorized by this Act. Commencing July 1,  
10 1984, "Commission" as used in this Act means the Commission on  
11 Government Forecasting and Accountability as established by  
12 the Legislative Commission Reorganization Act of 1984.

13 (f) "Contributory", when referred to as contributory  
14 coverage, shall mean optional coverages or benefits elected by  
15 the member toward the cost of which such member makes  
16 contribution, or which are funded in whole or in part through  
17 the acceptance of a reduction in earnings or the foregoing of  
18 an increase in earnings by an employee, as distinguished from  
19 noncontributory coverage or benefits which are paid entirely by  
20 the State of Illinois without reduction of the member's salary.

21 (g) "Department" means any department, institution, board,  
22 commission, officer, court or any agency of the State  
23 government receiving appropriations and having power to  
24 certify payrolls to the Comptroller authorizing payments of  
25 salary and wages against such appropriations as are made by the  
26 General Assembly from any State fund, or against trust funds

1 held by the State Treasurer and includes boards of trustees of  
2 the retirement systems created by Articles 2, 14, 15, 16 and 18  
3 of the Illinois Pension Code. "Department" also includes the  
4 Illinois Comprehensive Health Insurance Board, the Board of  
5 Examiners established under the Illinois Public Accounting  
6 Act, and the Illinois Finance Authority.

7 (h) "Dependent", when the term is used in the context of  
8 the health and life plan, means a member's spouse and any  
9 unmarried child (1) from birth to age 19 including an adopted  
10 child, a child who lives with the member from the time of the  
11 filing of a petition for adoption until entry of an order of  
12 adoption, a stepchild or recognized child who lives with the  
13 member in a parent-child relationship, or a child who lives  
14 with the member if such member is a court appointed guardian of  
15 the child, or (2) age 19 to 23 enrolled as a full-time student  
16 in any accredited school, financially dependent upon the  
17 member, and eligible to be claimed as a dependent for income  
18 tax purposes, or (3) age 19 or over who is mentally or  
19 physically handicapped. For the purposes of item (2), an  
20 unmarried child age 19 to 23 who is a member of the United  
21 States Armed Services, including the Illinois National Guard,  
22 and is mobilized to active duty shall qualify as a dependent  
23 beyond the age of 23 and until the age of 25 and while a  
24 full-time student for the amount of time spent on active duty  
25 between the ages of 19 and 23. The individual attempting to  
26 qualify for this additional time must submit written

1 documentation of active duty service to the Director. The  
2 changes made by this amendatory Act of the 94th General  
3 Assembly apply only to individuals mobilized to active duty in  
4 the United States Armed Services, including the Illinois  
5 National Guard, on or after January 1, 2002. For the health  
6 plan only, the term "dependent" also includes any person  
7 enrolled prior to the effective date of this Section who is  
8 dependent upon the member to the extent that the member may  
9 claim such person as a dependent for income tax deduction  
10 purposes; no other such person may be enrolled. For the health  
11 plan only, the term "dependent" also includes any person who  
12 has received after June 30, 2000 an organ transplant and who is  
13 financially dependent upon the member and eligible to be  
14 claimed as a dependent for income tax purposes.

15 (i) "Director" means the Director of the Illinois  
16 Department of Central Management Services.

17 (j) "Eligibility period" means the period of time a member  
18 has to elect enrollment in programs or to select benefits  
19 without regard to age, sex or health.

20 (k) "Employee" means and includes each officer or employee  
21 in the service of a department who (1) receives his  
22 compensation for service rendered to the department on a  
23 warrant issued pursuant to a payroll certified by a department  
24 or on a warrant or check issued and drawn by a department upon  
25 a trust, federal or other fund or on a warrant issued pursuant  
26 to a payroll certified by an elected or duly appointed officer

1 of the State or who receives payment of the performance of  
2 personal services on a warrant issued pursuant to a payroll  
3 certified by a Department and drawn by the Comptroller upon the  
4 State Treasurer against appropriations made by the General  
5 Assembly from any fund or against trust funds held by the State  
6 Treasurer, and (2) is employed full-time or part-time in a  
7 position normally requiring actual performance of duty during  
8 not less than 1/2 of a normal work period, as established by  
9 the Director in cooperation with each department, except that  
10 persons elected by popular vote will be considered employees  
11 during the entire term for which they are elected regardless of  
12 hours devoted to the service of the State, and (3) except that  
13 "employee" does not include any person who is not eligible by  
14 reason of such person's employment to participate in one of the  
15 State retirement systems under Articles 2, 14, 15 (either the  
16 regular Article 15 system or the optional retirement program  
17 established under Section 15-158.2) or 18, or under paragraph  
18 (2), (3), or (5) of Section 16-106, of the Illinois Pension  
19 Code, but such term does include persons who are employed  
20 during the 6 month qualifying period under Article 14 of the  
21 Illinois Pension Code. Such term also includes any person who  
22 (1) after January 1, 1966, is receiving ordinary or accidental  
23 disability benefits under Articles 2, 14, 15 (including  
24 ordinary or accidental disability benefits under the optional  
25 retirement program established under Section 15-158.2),  
26 paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of

1 the Illinois Pension Code, for disability incurred after  
2 January 1, 1966, (2) receives total permanent or total  
3 temporary disability under the Workers' Compensation Act or  
4 Occupational Disease Act as a result of injuries sustained or  
5 illness contracted in the course of employment with the State  
6 of Illinois, or (3) is not otherwise covered under this Act and  
7 has retired as a participating member under Article 2 of the  
8 Illinois Pension Code but is ineligible for the retirement  
9 annuity under Section 2-119 of the Illinois Pension Code.  
10 However, a person who satisfies the criteria of the foregoing  
11 definition of "employee" except that such person is made  
12 ineligible to participate in the State Universities Retirement  
13 System by clause (4) of subsection (a) of Section 15-107 of the  
14 Illinois Pension Code is also an "employee" for the purposes of  
15 this Act. "Employee" also includes any person receiving or  
16 eligible for benefits under a sick pay plan established in  
17 accordance with Section 36 of the State Finance Act. "Employee"  
18 also includes (i) each officer or employee in the service of a  
19 qualified local government, including persons appointed as  
20 trustees of sanitary districts regardless of hours devoted to  
21 the service of the sanitary district, (ii) each employee in the  
22 service of a qualified rehabilitation facility, (iii) each  
23 full-time employee in the service of a qualified domestic  
24 violence shelter or service, and (iv) each full-time employee  
25 in the service of a qualified child advocacy center, as  
26 determined according to rules promulgated by the Director.

1           (1) "Member" means an employee, annuitant, retired  
2 employee or survivor.

3           (m) "Optional coverages or benefits" means those coverages  
4 or benefits available to the member on his or her voluntary  
5 election, and at his or her own expense.

6           (n) "Program" means the group life insurance, health  
7 benefits and other employee benefits designed and contracted  
8 for by the Director under this Act.

9           (o) "Health plan" means a health benefits program offered  
10 by the State of Illinois for persons eligible for the plan.

11           (p) "Retired employee" means any person who would be an  
12 annuitant as that term is defined herein but for the fact that  
13 such person retired prior to January 1, 1966. Such term also  
14 includes any person formerly employed by the University of  
15 Illinois in the Cooperative Extension Service who would be an  
16 annuitant but for the fact that such person was made ineligible  
17 to participate in the State Universities Retirement System by  
18 clause (4) of subsection (a) of Section 15-107 of the Illinois  
19 Pension Code.

20           (q) "Survivor" means a person receiving an annuity as a  
21 survivor of an employee or of an annuitant. "Survivor" also  
22 includes: (1) the surviving dependent of a person who satisfies  
23 the definition of "employee" except that such person is made  
24 ineligible to participate in the State Universities Retirement  
25 System by clause (4) of subsection (a) of Section 15-107 of the  
26 Illinois Pension Code; (2) the surviving dependent of any

1 person formerly employed by the University of Illinois in the  
2 Cooperative Extension Service who would be an annuitant except  
3 for the fact that such person was made ineligible to  
4 participate in the State Universities Retirement System by  
5 clause (4) of subsection (a) of Section 15-107 of the Illinois  
6 Pension Code; and (3) the surviving dependent of a person who  
7 was an annuitant under this Act by virtue of receiving an  
8 alternative retirement cancellation payment under Section  
9 14-108.5 of the Illinois Pension Code.

10 (q-2) "SERS" means the State Employees' Retirement System  
11 of Illinois, created under Article 14 of the Illinois Pension  
12 Code.

13 (q-3) "SURS" means the State Universities Retirement  
14 System, created under Article 15 of the Illinois Pension Code.

15 (q-4) "TRS" means the Teachers' Retirement System of the  
16 State of Illinois, created under Article 16 of the Illinois  
17 Pension Code.

18 (q-5) "New SERS survivor" means a survivor, as defined in  
19 subsection (q), whose annuity is paid under Article 14 of the  
20 Illinois Pension Code and is based on the death of (i) an  
21 employee whose death occurs on or after January 1, 1998, or  
22 (ii) a new SERS annuitant as defined in subsection (b-5). "New  
23 SERS survivor" includes the surviving dependent of a person who  
24 was an annuitant under this Act by virtue of receiving an  
25 alternative retirement cancellation payment under Section  
26 14-108.5 of the Illinois Pension Code.

1 (q-6) "New SURS survivor" means a survivor, as defined in  
2 subsection (q), whose annuity is paid under Article 15 of the  
3 Illinois Pension Code and is based on the death of (i) an  
4 employee whose death occurs on or after January 1, 1998, or  
5 (ii) a new SURS annuitant as defined in subsection (b-6).

6 (q-7) "New TRS State survivor" means a survivor, as defined  
7 in subsection (q), whose annuity is paid under Article 16 of  
8 the Illinois Pension Code and is based on the death of (i) an  
9 employee who is a teacher as defined in paragraph (2), (3), or  
10 (5) of Section 16-106 of that Code and whose death occurs on or  
11 after July 1, 1998, or (ii) a new TRS State annuitant as  
12 defined in subsection (b-7).

13 (r) "Medical services" means the services provided within  
14 the scope of their licenses by practitioners in all categories  
15 licensed under the Medical Practice Act of 1987.

16 (s) "Unit of local government" means any county,  
17 municipality, township, school district (including a  
18 combination of school districts under the Intergovernmental  
19 Cooperation Act), special district or other unit, designated as  
20 a unit of local government by law, which exercises limited  
21 governmental powers or powers in respect to limited  
22 governmental subjects, any not-for-profit association with a  
23 membership that primarily includes townships and township  
24 officials, that has duties that include provision of research  
25 service, dissemination of information, and other acts for the  
26 purpose of improving township government, and that is funded

1 wholly or partly in accordance with Section 85-15 of the  
2 Township Code; any not-for-profit corporation or association,  
3 with a membership consisting primarily of municipalities, that  
4 operates its own utility system, and provides research,  
5 training, dissemination of information, or other acts to  
6 promote cooperation between and among municipalities that  
7 provide utility services and for the advancement of the goals  
8 and purposes of its membership; the Southern Illinois  
9 Collegiate Common Market, which is a consortium of higher  
10 education institutions in Southern Illinois; the Illinois  
11 Association of Park Districts; and any hospital provider that  
12 is owned by a county that has 100 or fewer hospital beds and  
13 has not already joined the program. "Qualified local  
14 government" means a unit of local government approved by the  
15 Director and participating in a program created under  
16 subsection (i) of Section 10 of this Act.

17 (t) "Qualified rehabilitation facility" means any  
18 not-for-profit organization that is accredited by the  
19 Commission on Accreditation of Rehabilitation Facilities or  
20 certified by the Department of Human Services (as successor to  
21 the Department of Mental Health and Developmental  
22 Disabilities) to provide services to persons with disabilities  
23 and which receives funds from the State of Illinois for  
24 providing those services, approved by the Director and  
25 participating in a program created under subsection (j) of  
26 Section 10 of this Act.

1 (u) "Qualified domestic violence shelter or service" means  
2 any Illinois domestic violence shelter or service and its  
3 administrative offices funded by the Department of Human  
4 Services (as successor to the Illinois Department of Public  
5 Aid), approved by the Director and participating in a program  
6 created under subsection (k) of Section 10.

7 (v) "TRS benefit recipient" means a person who:

8 (1) is not a "member" as defined in this Section; and

9 (2) is receiving a monthly benefit or retirement  
10 annuity under Article 16 of the Illinois Pension Code; and

11 (3) either (i) has at least 8 years of creditable  
12 service under Article 16 of the Illinois Pension Code, or  
13 (ii) was enrolled in the health insurance program offered  
14 under that Article on January 1, 1996, or (iii) is the  
15 survivor of a benefit recipient who had at least 8 years of  
16 creditable service under Article 16 of the Illinois Pension  
17 Code or was enrolled in the health insurance program  
18 offered under that Article on the effective date of this  
19 amendatory Act of 1995, or (iv) is a recipient or survivor  
20 of a recipient of a disability benefit under Article 16 of  
21 the Illinois Pension Code.

22 (w) "TRS dependent beneficiary" means a person who:

23 (1) is not a "member" or "dependent" as defined in this  
24 Section; and

25 (2) is a TRS benefit recipient's: (A) spouse, (B)  
26 dependent parent who is receiving at least half of his or

1 her support from the TRS benefit recipient, or (C)  
2 unmarried natural or adopted child who is (i) under age 19,  
3 or (ii) enrolled as a full-time student in an accredited  
4 school, financially dependent upon the TRS benefit  
5 recipient, eligible to be claimed as a dependent for income  
6 tax purposes, and either is under age 24 or was, on January  
7 1, 1996, participating as a dependent beneficiary in the  
8 health insurance program offered under Article 16 of the  
9 Illinois Pension Code, or (iii) age 19 or over who is  
10 mentally or physically handicapped.

11 (x) "Military leave with pay and benefits" refers to  
12 individuals in basic training for reserves, special/advanced  
13 training, annual training, emergency call up, or activation by  
14 the President of the United States with approved pay and  
15 benefits.

16 (y) "Military leave without pay and benefits" refers to  
17 individuals who enlist for active duty in a regular component  
18 of the U.S. Armed Forces or other duty not specified or  
19 authorized under military leave with pay and benefits.

20 (z) "Community college benefit recipient" means a person  
21 who:

22 (1) is not a "member" as defined in this Section; and

23 (2) is receiving a monthly survivor's annuity or  
24 retirement annuity under Article 15 of the Illinois Pension  
25 Code; and

26 (3) either (i) was a full-time employee of a community

1 college district or an association of community college  
2 boards created under the Public Community College Act  
3 ~~(other than an employee whose last employer under Article~~  
4 ~~15 of the Illinois Pension Code was a community college~~  
5 ~~district subject to Article VII of the Public Community~~  
6 ~~College Act)~~ and was eligible to participate in a group  
7 health benefit plan as an employee during the time of  
8 employment with a community college district ~~(other than a~~  
9 ~~community college district subject to Article VII of the~~  
10 ~~Public Community College Act)~~ or an association of  
11 community college boards, or (ii) is the survivor of a  
12 person described in item (i).

13 (aa) "Community college dependent beneficiary" means a  
14 person who:

15 (1) is not a "member" or "dependent" as defined in this  
16 Section; and

17 (2) is a community college benefit recipient's: (A)  
18 spouse, (B) dependent parent who is receiving at least half  
19 of his or her support from the community college benefit  
20 recipient, or (C) unmarried natural or adopted child who is  
21 (i) under age 19, or (ii) enrolled as a full-time student  
22 in an accredited school, financially dependent upon the  
23 community college benefit recipient, eligible to be  
24 claimed as a dependent for income tax purposes and under  
25 age 23, or (iii) age 19 or over and mentally or physically  
26 handicapped.

1 (bb) "Qualified child advocacy center" means any Illinois  
2 child advocacy center and its administrative offices funded by  
3 the Department of Children and Family Services, as defined by  
4 the Children's Advocacy Center Act (55 ILCS 80/), approved by  
5 the Director and participating in a program created under  
6 subsection (n) of Section 10.

7 (Source: P.A. 93-205, eff. 1-1-04; 93-839, eff. 7-30-04;  
8 93-1067, eff. 1-15-05; 94-32, eff. 6-15-05; 94-82, eff. 1-1-06;  
9 94-860, eff. 6-16-06; revised 8-3-06.)

10 (5 ILCS 375/6.9)

11 Sec. 6.9. Health benefits for community college benefit  
12 recipients and community college dependent beneficiaries.

13 (a) Purpose. It is the purpose of this amendatory Act of  
14 1997 to establish a uniform program of health benefits for  
15 community college benefit recipients and their dependent  
16 beneficiaries under the administration of the Department of  
17 Central Management Services.

18 (b) Creation of program. Beginning July 1, 1999, the  
19 Department of Central Management Services shall be responsible  
20 for administering a program of health benefits for community  
21 college benefit recipients and community college dependent  
22 beneficiaries under this Section. The State Universities  
23 Retirement System and the boards of trustees of the various  
24 community college districts shall cooperate with the  
25 Department in this endeavor.

1           (c) Eligibility. All community college benefit recipients  
2 and community college dependent beneficiaries shall be  
3 eligible to participate in the program established under this  
4 Section, without any interruption or delay in coverage or  
5 limitation as to pre-existing medical conditions. Eligibility  
6 to participate shall be determined by the State Universities  
7 Retirement System. Eligibility information shall be  
8 communicated to the Department of Central Management Services  
9 in a format acceptable to the Department.

10          (d) Coverage. The health benefit coverage provided under  
11 this Section shall be a program of health, dental, and vision  
12 benefits.

13          The program of health benefits under this Section may  
14 include any or all of the benefit limitations, including but  
15 not limited to a reduction in benefits based on eligibility for  
16 federal medicare benefits, that are provided under subsection  
17 (a) of Section 6 of this Act for other health benefit programs  
18 under this Act.

19          (e) Insurance rates and premiums. The Director shall  
20 determine the insurance rates and premiums for community  
21 college benefit recipients and community college dependent  
22 beneficiaries. Rates and premiums may be based in part on age  
23 and eligibility for federal Medicare coverage. The Director  
24 shall also determine premiums that will allow for the  
25 establishment of an actuarially sound reserve for this program.

26          The cost of health benefits under the program shall be paid

1 as follows:

2 (1) For a community college benefit recipient, up to  
3 75% of the total insurance rate shall be paid from the  
4 Community College Health Insurance Security Fund.

5 (2) The balance of the rate of insurance, including the  
6 entire premium for any coverage for community college  
7 dependent beneficiaries that has been elected, shall be  
8 paid by deductions authorized by the community college  
9 benefit recipient to be withheld from his or her monthly  
10 annuity or benefit payment from the State Universities  
11 Retirement System; except that (i) if the balance of the  
12 cost of coverage exceeds the amount of the monthly annuity  
13 or benefit payment, the difference shall be paid directly  
14 to the State Universities Retirement System by the  
15 community college benefit recipient, and (ii) all or part  
16 of the balance of the cost of coverage may, at the option  
17 of the board of trustees of the community college district,  
18 be paid to the State Universities Retirement System by the  
19 board of the community college district from which the  
20 community college benefit recipient retired. The State  
21 Universities Retirement System shall promptly deposit all  
22 moneys withheld by or paid to it under this subdivision  
23 (e) (2) into the Community College Health Insurance  
24 Security Fund. These moneys shall not be considered assets  
25 of the State Universities Retirement System.

26 (f) Financing. All revenues arising from the

1 administration of the health benefit program established under  
2 this Section shall be deposited into the Community College  
3 Health Insurance Security Fund, which is hereby created as a  
4 nonappropriated trust fund to be held outside the State  
5 Treasury, with the State Treasurer as custodian. Any interest  
6 earned on moneys in the Community College Health Insurance  
7 Security Fund shall be deposited into the Fund.

8 Moneys in the Community College Health Insurance Security  
9 Fund shall be used only to pay the costs of the health benefit  
10 program established under this Section, including associated  
11 administrative costs and the establishment of a program  
12 reserve. Beginning January 1, 1999, the Department of Central  
13 Management Services may make expenditures from the Community  
14 College Health Insurance Security Fund for those costs.

15 (g) Contract for benefits. The Director shall by contract,  
16 self-insurance, or otherwise make available the program of  
17 health benefits for community college benefit recipients and  
18 their community college dependent beneficiaries that is  
19 provided for in this Section. The contract or other arrangement  
20 for the provision of these health benefits shall be on terms  
21 deemed by the Director to be in the best interest of the State  
22 of Illinois and the community college benefit recipients based  
23 on, but not limited to, such criteria as administrative cost,  
24 service capabilities of the carrier or other contractor, and  
25 the costs of the benefits.

26 (h) Continuation of program. It is the intention of the

1 General Assembly that the program of health benefits provided  
2 under this Section be maintained on an ongoing, affordable  
3 basis. The program of health benefits provided under this  
4 Section may be amended by the State and is not intended to be a  
5 pension or retirement benefit subject to protection under  
6 Article XIII, Section 5 of the Illinois Constitution.

7 (i) Other health benefit plans. A health benefit plan  
8 provided by a community college district ~~(other than a~~  
9 ~~community college district subject to Article VII of the Public~~  
10 ~~Community College Act)~~ under the terms of a collective  
11 bargaining agreement in effect on or prior to the effective  
12 date of this amendatory Act of 1997 (or July 1, 2007 with  
13 respect to a community college district subject to Article VII  
14 of the Public Community College Act) shall continue in force  
15 according to the terms of that agreement, unless otherwise  
16 mutually agreed by the parties to that agreement and the  
17 affected retiree. A community college benefit recipient or  
18 community college dependent beneficiary whose coverage under  
19 such a plan expires shall be eligible to begin participating in  
20 the program established under this Section without any  
21 interruption or delay in coverage or limitation as to  
22 pre-existing medical conditions.

23 This Act does not prohibit any community college district  
24 from offering additional health benefits for its retirees or  
25 their dependents or survivors.

26 (Source: P.A. 90-497, eff. 8-18-97; 90-655, eff. 7-30-98.)

1 (5 ILCS 375/6.10)

2 Sec. 6.10. Contributions to the Community College Health  
3 Insurance Security Fund.

4 (a) Beginning January 1, 1999, (or July 1, 2007 with  
5 respect to a community college district subject to Article VII  
6 of the Public Community College Act), every active contributor  
7 of the State Universities Retirement System (established under  
8 Article 15 of the Illinois Pension Code) who (1) is a full-time  
9 employee of a community college district ~~(other than a~~  
10 ~~community college district subject to Article VII of the Public~~  
11 ~~Community College Act)~~ or an association of community college  
12 boards and (2) is not an employee as defined in Section 3 of  
13 this Act shall make contributions toward the cost of community  
14 college annuitant and survivor health benefits at the rate of  
15 0.50% of salary.

16 These contributions shall be deducted by the employer and  
17 paid to the State Universities Retirement System as service  
18 agent for the Department of Central Management Services. The  
19 System may use the same processes for collecting the  
20 contributions required by this subsection that it uses to  
21 collect the contributions received from those employees under  
22 Section 15-157 of the Illinois Pension Code. An employer may  
23 agree to pick up or pay the contributions required under this  
24 subsection on behalf of the employee; such contributions shall  
25 be deemed to have been paid by the employee.

1           The State Universities Retirement System shall promptly  
2 deposit all moneys collected under this subsection (a) into the  
3 Community College Health Insurance Security Fund created in  
4 Section 6.9 of this Act. The moneys collected under this  
5 Section shall be used only for the purposes authorized in  
6 Section 6.9 of this Act and shall not be considered to be  
7 assets of the State Universities Retirement System.  
8 Contributions made under this Section are not transferable to  
9 other pension funds or retirement systems and are not  
10 refundable upon termination of service.

11           (b) Beginning January 1, 1999, (or July 1, 2007 with  
12 respect to a community college district subject to Article VII  
13 of the Public Community College Act), every community college  
14 district ~~(other than a community college district subject to~~  
15 ~~Article VII of the Public Community College Act)~~ or association  
16 of community college boards that is an employer under the State  
17 Universities Retirement System shall contribute toward the  
18 cost of the community college health benefits provided under  
19 Section 6.9 of this Act an amount equal to 0.50% of the salary  
20 paid to its full-time employees who participate in the State  
21 Universities Retirement System and are not members as defined  
22 in Section 3 of this Act.

23           These contributions shall be paid by the employer to the  
24 State Universities Retirement System as service agent for the  
25 Department of Central Management Services. The System may use  
26 the same processes for collecting the contributions required by

1 this subsection that it uses to collect the contributions  
2 received from those employers under Section 15-155 of the  
3 Illinois Pension Code.

4 The State Universities Retirement System shall promptly  
5 deposit all moneys collected under this subsection (b) into the  
6 Community College Health Insurance Security Fund created in  
7 Section 6.9 of this Act. The moneys collected under this  
8 Section shall be used only for the purposes authorized in  
9 Section 6.9 of this Act and shall not be considered to be  
10 assets of the State Universities Retirement System.  
11 Contributions made under this Section are not transferable to  
12 other pension funds or retirement systems and are not  
13 refundable upon termination of service.

14 (c) On or before November 15 of each year, the Board of  
15 Trustees of the State Universities Retirement System shall  
16 certify to the Governor, the Director of Central Management  
17 Services, and the State Comptroller its estimate of the total  
18 amount of contributions to be paid under subsection (a) of this  
19 Section for the next fiscal year. Beginning in fiscal year  
20 2008, the amount certified shall be decreased or increased each  
21 year by the amount that the actual active employee  
22 contributions either fell short of or exceeded the estimate  
23 used by the Board in making the certification for the previous  
24 fiscal year. The State Universities Retirement System shall  
25 calculate the amount of actual active employee contributions in  
26 fiscal years 1999 through 2005. Based upon this calculation,

1 the fiscal year 2008 certification shall include an amount  
2 equal to the cumulative amount that the actual active employee  
3 contributions either fell short of or exceeded the estimate  
4 used by the Board in making the certification for those fiscal  
5 years. The certification shall include a detailed explanation  
6 of the methods and information that the Board relied upon in  
7 preparing its estimate. As soon as possible after the effective  
8 date of this Section, the Board shall submit its estimate for  
9 fiscal year 1999.

10 (d) Beginning in fiscal year 1999, on the first day of each  
11 month, or as soon thereafter as may be practical, the State  
12 Treasurer and the State Comptroller shall transfer from the  
13 General Revenue Fund to the Community College Health Insurance  
14 Security Fund 1/12 of the annual amount appropriated for that  
15 fiscal year to the State Comptroller for deposit into the  
16 Community College Health Insurance Security Fund under Section  
17 1.4 of the State Pension Funds Continuing Appropriation Act.

18 (e) Except where otherwise specified in this Section, the  
19 definitions that apply to Article 15 of the Illinois Pension  
20 Code apply to this Section.

21 (Source: P.A. 94-839, eff. 6-6-06.)

22 Section 99. Effective date. This Act takes effect July 1,  
23 2007."